

**CITY COUNCIL AGENDA MEMORANDUM****SUBJECT:**

Motion to award Bid No. 13021, NE 4<sup>th</sup> Street Extension - Phase 1, 116<sup>th</sup> Avenue NE to Burlington Northern Santa Fe Rail Road (BNSF) right-of-way, to KLB Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$3,946,462.67 (CIP Plan No. PW-R-160).

**FISCAL IMPACT:**

This is one of two separate actions requested of Council tonight related to the NE 4<sup>th</sup> Street Extension – 116<sup>th</sup> to 120<sup>th</sup> Avenues NE project (CIP Plan No PW-R-160). The second action requested is to amend the professional services agreement with Kenyon Disend, PLLC to increase the total contract amount.

Awarding this bid will obligate the City to \$3,946,462.67 to construct a new section of roadway with pedestrian, bicycle and other improvements on NE 4<sup>th</sup> Street between 116<sup>th</sup> Avenue NE to BNSF right-of-way (CIP Plan No. PW-R-160). This amount is approximately 15% below the Engineer's Estimate.

The NE 4th Street project has been a catalyst in Council's recent discussions regarding the General CIP cash flow and overall budget update. In total, for all projects in the 2013-2019 General CIP, the City is projecting the loss of approximately \$15 million in anticipated revenues, and net cost increases to adopted projects of approximately \$5 million through 2019 (\$9 million of which is included in the 2014 cash flow projection). Tonight staff is also requesting Council's authorization to execute an interfund loan from the Utility Capital Investment Program Fund to provide interim financing for projects included in the General CIP. The NE 4th Street project is facing an \$11 million funding shortfall to fully fund the project, which is included in the total CIP calculation above. Staff proposes that ending fund balance be used to address the projected funding gap in the NE 4<sup>th</sup> Street project and will return to Council on November 4 as part of the Mid-Biennium update, unless directed otherwise, to present the necessary amendments to the CIP. Assuming the cash flow borrowing action presented earlier this evening to Council is approved, there are sufficient funds to fund this contract.

**STAFF CONTACT:**

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*Transportation Department*

**POLICY CONSIDERATION:****Comprehensive Plan:****Land Use**

- S-WI-1: Protect residential areas from impacts of other uses by maintaining the current boundaries between residential and non-residential areas.

- S-WI-2: Support the provision of commercial services in Wilburton that complement Downtown, such as large retail and auto sales; mixed use opportunities; and services that provide convenient shopping for the adjacent neighborhoods.
- Implement this through zoning and development regulations.
- S-WI-3: Support the long term development of a “retail village” in the commercial area on the west side of 120th Avenue to provide a transition from more intense commercial areas to the west and the residential area to the east.

### Circulation

- S-WI-25: Improve local access, street system connectivity and traffic flow by providing additional east-west transportation connections, including an arterial street connection at NE 4th Street between 116th and 120th Avenues and HOV and non-motorized access at NE 6th Street between Downtown and 120th Avenue NE.
- S-WI-27: Coordinate off-street biking and walking facilities with on-street walking and biking facilities to provide safe connections to destinations such as schools, parks, shopping, and transit service.
- S-WI-28: Improve arterial streets to provide enhanced pedestrian and bicycle access, safety and comfort throughout the non-residential areas of the subarea.

### Community Design

- S-WI-42: Develop street tree plans for arterial streets and non-residential areas. Investigate ways to encourage property owners to implement the City’s street tree plan.
- S-WI-44. Utilities should be provided to serve the present and future needs of the Subarea in a way that enhances the visual quality of the community (where practical).

### **BACKGROUND:**

The NE 4<sup>th</sup> Street Extension Project, from 116<sup>th</sup> Avenue NE to 120<sup>th</sup> Avenue NE, is part of the City’s Mobility and Infrastructure Initiative (M&II). The M&II was developed to address unprecedented growth in downtown Bellevue and to support planned growth in the Bel-Red area. The objectives of the M&II include encouragement of economic vitality and appropriate redevelopment of the area’s urban design and identity.

The NE 4<sup>th</sup> Street Extension project will construct a new five lane arterial between 116<sup>th</sup> Avenue NE and 120<sup>th</sup> Avenue NE, with two travel lanes in each direction and a center turn lane where necessary. The project will include bike lanes and sidewalks on both sides of the road, illumination, landscaping, and stormwater detention and treatment. The project will also include a new signalized intersection at NE 4th Street and 120th Avenue NE, and will modify the existing signal at the NE 4th Street and 116th Avenue NE intersection. Construction of the NE 4<sup>th</sup> Street Extension project will be implemented in two phases: Phase I from 116<sup>th</sup> Avenue NE to the BNSF corridor; and Phase II completing the extension from BNSF to 120<sup>th</sup> Avenue NE. The design of Phase II is expected to be completed in spring of 2014 and construction is pending completion of acquiring the right-of-way.

A neighborhood traffic calming project to address potential traffic impacts to the Wilburton neighborhood along NE 5<sup>th</sup> Street east of 120<sup>th</sup> Avenue NE has been developed in collaboration with the neighborhood and was implemented this summer. Also, an advance building demolition contract was completed in August 2013 which demolished part of an existing building that was in conflict with the NE 4<sup>th</sup> Street Extension roadway project.

Staff will be bringing forward three items in the near future for the NE 4<sup>th</sup> Street project: 1) an amendment to the design contract with Parsons Brinckerhoff to address additional coordination with adjacent existing businesses; 2) acquisition of property for off-site mitigation for critical areas; and, 3) execution of agreements with franchise utilities for joint utility trench work.

Following verification of bid submittals, the bids received were as follows:

<b>Engineer's Estimate</b>	<b>\$4,661,241.38</b>
KLB Construction, Inc.	3,946,462.67
Tri-State Construction, Inc.	4,344,819.10
Active Construction, Inc.	4,381,001.33
Road Construction Northwest, Inc.	4,382,104.79
Gary Merlino Construction, Inc.	4,406,204.83
Northwest Construction, Inc.	4,560,547.81
Interwest Construction, Inc.	4,770,296.55
Westwater Construction Co.	4,849,656.20
Flatiron Constructors, Inc.	4,854,456.20
Johanson Excavating	5,351,705.66
DPK, Inc.	5,295,164.25

To the best of staff's knowledge and professional judgment, all factors that normally contribute to construction expenses have been accounted for in the Plans, Specifications and Estimates. Based on our experience, projects of this type may result in some field changes. All claims are rigorously reviewed and only those that are clearly necessary to accomplish the intent of the contract, but have somehow not been provided for, will be paid.

#### RELEVANT PAST COUNCIL ACTIONS:

On February 25, 2008, Council approved Ordinance No. 5803, amending the Wilburton/NE 8<sup>th</sup> Street Subarea Plan.

On December 1, 2008, Council approved Ordinance No. 5851 adopting the City of Bellevue's 2009-2010 Budget and 2009-2015 Capital Investment Program (CIP) Plan which included the Mobility and Infrastructure Initiative (CIP Plan No. G-80).

On January 20, 2009, Council approved Resolution No. 7874, endorsing the City's Mobility and Infrastructure and Finance Plan.

On October 5, 2009 Council approved Resolution No. 7993 authorizing the execution of a Phase I consultant agreement with Parsons Brinkerhoff (PB) to prepare an Engineering Design Report and identify the preferred alignment for a new NE 4<sup>th</sup> Street roadway.

On February 1, 2010 Council approved Ordinance No. 5936 authorizing the amendment of the 2009-2015 Capital Investment Program (CIP) to create a new CIP project "NE 4<sup>th</sup> Street Extension-116<sup>th</sup> to 120<sup>th</sup> Avenue NE" (CIP Plan No. PW-R-160) with an initial budget of \$3,600,000.

On April 19, 2010 Council approved Resolution No. 8080 authorizing the execution of a Phase II consultant agreement with PB to complete the NE 4<sup>th</sup> Street Extension.

On September 4, 2012 Council approved Resolution No. 8439 supplement to the Agreement for Professional Services with PB Americas, Inc.,

On May 6, 2013 Council approved a motion to awarded Bid No. 13047, Advance Building Demolition for NE 4<sup>th</sup> Street Extension project (CIP Plan No. PW-R-160) to Rhine Demolition, LLC.

**EFFECTIVE DATE:**

If adopted, this Motion becomes effective immediately.

**OPTIONS:**

1. Award Bid No. 13021, NE 4<sup>th</sup> Street Extension - Phase 1, 116<sup>th</sup> Avenue NE to Burlington Northern Santa Fe Rail Road (BNSF) right-of-way (CIP Plan No. PW-R-160), to KLB Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$3,946,462.67.
2. Reject all bids and provide alternative direction to staff.

**RECOMMENDATION:**

Move to award Bid No. 13021, NE 4<sup>th</sup> Street Extension - Phase 1, 116<sup>th</sup> Avenue NE to Burlington Northern Santa Fe Rail Road (BNSF) right-of-way (CIP Plan No. PW-R-160), to KLB Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$3,946,462.67.

**MOTION:**

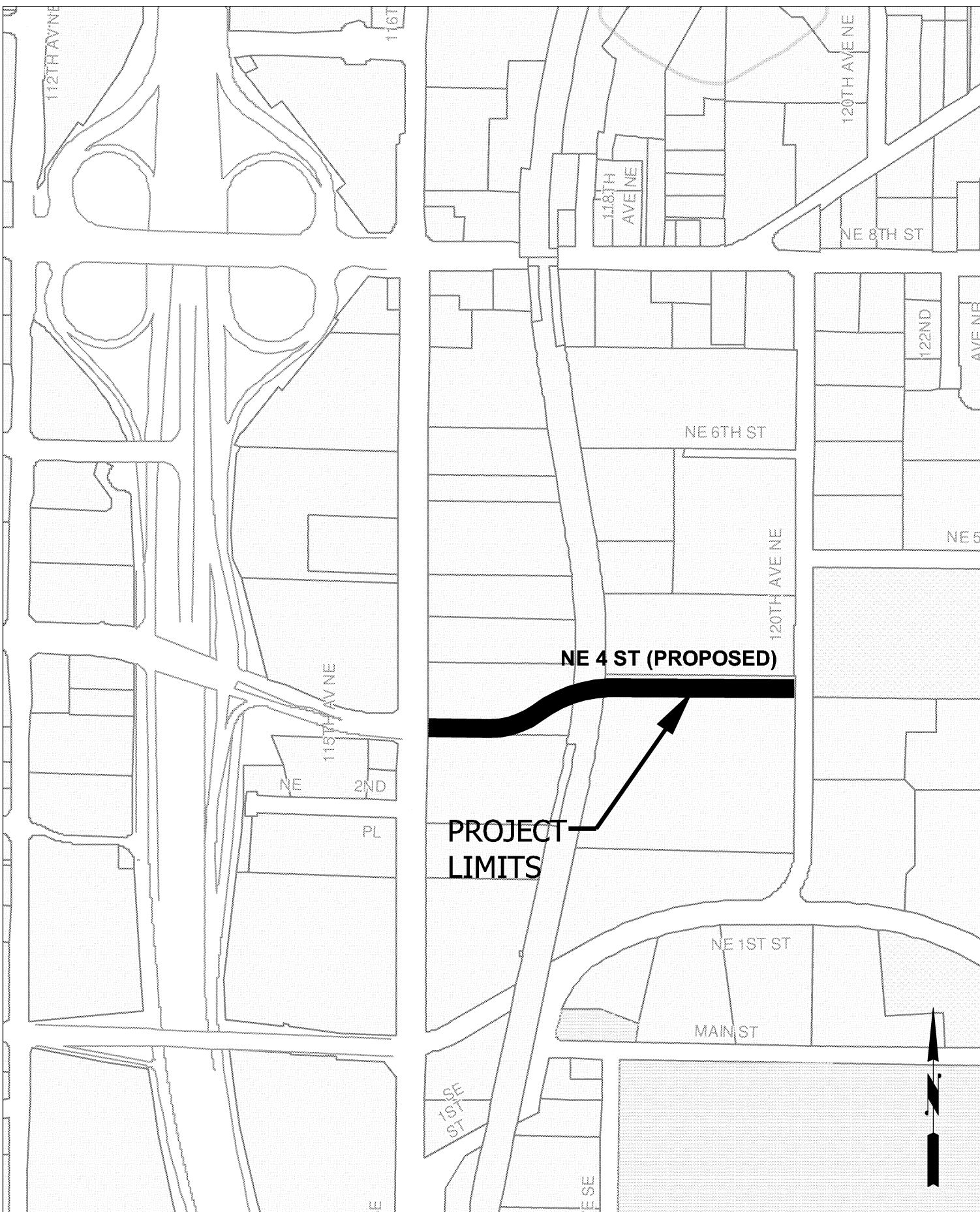
Move to award Bid No. 13021, NE 4<sup>th</sup> Street Extension - Phase 1, 116<sup>th</sup> Avenue NE to Burlington Northern Santa Fe Rail Road (BNSF) right-of-way (CIP Plan No. PW-R-160), to KLB Construction, Inc., as the lowest responsible and responsive bidder, in the amount of \$3,946,462.67.

**ATTACHMENTS:**

Vicinity Map  
CIP Project Description

**AVAILABLE IN COUNCIL OFFICE:**

Construction Contract Documents



**City of  
Bellevue**  
Transportation Department

**NE 4th Street Extension**  
**116th Ave NE to 120th Ave NE**  
**CIP PW-R-160**

11-13

PROJECT VICINITY MAP

**PW-R-160 NE 4th Street Extension – 116th to 120th Avenues NE**

Category: **Roadways**  
 Department: **Transportation**

Status: **Approved and Begun**  
 Location: **NE 4th Street - 116th to 120th Avenues NE**

**Programmed Funding**

Programmed Funding	Appropriated To Date	FY 2013 Budget	FY 2014 Budget	FY 2015 Budget	FY 2016 Budget	FY 2017 Budget	FY 2018 Budget	FY 2019 Budget
31,111,381	7,932,000	16,592,740	5,420,831	1,165,810	-	-	-	-

**Description and Scope**

This project will implement a new five lane arterial, with two travel lanes in each direction and a center turn lane where necessary, between 116th Avenue NE and 120th Avenue NE. The project will include bike lanes, curb, gutter and sidewalk on both sides, illumination, landscaping and irrigation, storm drainage and detention. The project will accommodate other utility infrastructure as needed. The final roadway alignment will be determined in coordination with existing and potential future development and with the ownership interests of the Burlington Northern Santa Fe (BNSF) railway corridor. The project will be designed not to preclude potential future uses of the BNSF corridor. The project will include a new signalized intersection at NE 4th Street/120th Avenue NE and will modify the existing signalized intersection at NE 4th Street/116th Avenue NE. Implementation of the project will be closely coordinated with the complementary 120th Avenue NE Improvements project (Stage 1; CIP Plan No. PW-R-161). A neighborhood protection plan, to address potential traffic impacts along NE 5th Street to the east of 120th Avenue NE, may be developed in coordination with the neighborhood.

The current project budget is intended to fully fund all phases of the project. The construction phase of the project may be completed in stages.

**Rationale**

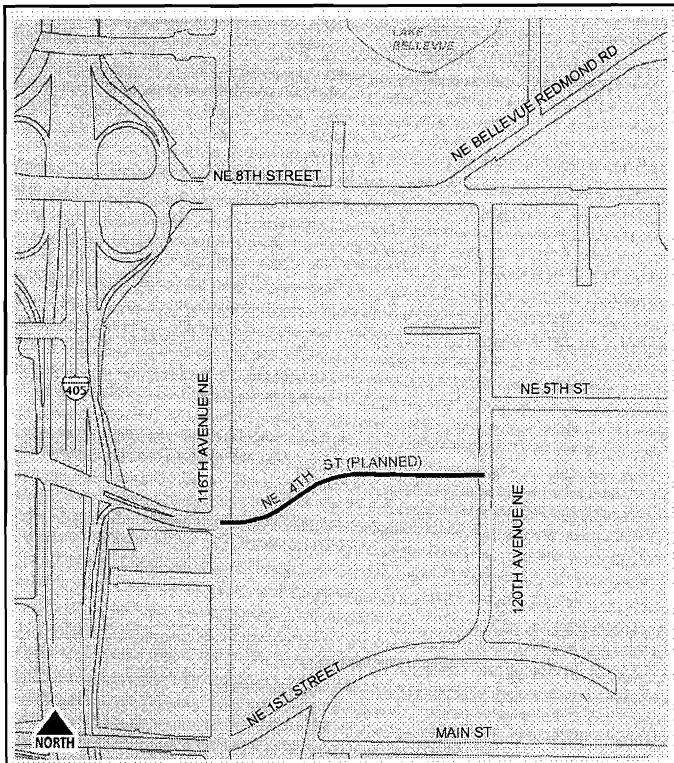
The NE 4th Street project is one of a number of high priority transportation investments that will improve access, circulation, and mobility options for passenger cars, transit, freight, pedestrians, and bicycles to and between Downtown Bellevue, Wilburton, the new Bel-Red transit-oriented-development nodes, and the larger city and region. This project in coordination with a widened and realigned 120th Avenue NE corridor, a widened and improved 124th Avenue NE corridor, the planned NE 6th Street extension, and the new NE 15th/16th Street multi-modal corridor have been associated and advanced as part of the Mobility and Infrastructure Initiative (M&I) of 2009. The package of M&I projects was formed to address recent growth, accommodate planned new land use development in the vicinity, and to ensure coordinated design and implementation with the Sound Transit East Link light rail project.

**Environmental Impacts**

A project specific environmental determination, consistent with federal requirements, will be made during the project design phase. A citywide programmatic environmental review including this project was conducted as part of the citywide 2009-2020 Transportation Facilities Plan update. Programmatic impact and mitigation documentation is included in the 2009-2020 TFP Final Environmental Impact Statement, published in March 2009.

**Operating Budget Impacts**

Operating costs will increase due to added street lighting/signal (electricity) and the maintenance of the roadway. The maintenance activities will include landscaping maintenance and street light/signal maintenance beginning in 2015. An estimated \$32,750 will be required to fund maintenance and operations costs in 2015, adjusted for inflation thereafter.

**Project Map****Schedule of Activities**

Project Activities	From - To	Amount
Project Costs	2009 - 2015	31,111,381

**Total Budgetary Cost Estimate:** 31,111,381

**Means of Financing**

Funding Source	Amount
General Taxes & LTGO Bond Proceeds	6,678,445
General Taxes & LTGO Bond Proceeds	326,000
Grants	8,599,381
Impact Fees	1,253,555
LRF	7,000,000
PWTF Loan	2,900,000
SBO/LID	4,354,000

**Total Programmed Funding:** 31,111,381

**Future Funding Requirements:** 0

**Comments**

Capital Costs/Revenue: Project costs decreased by \$7,288,000 reflecting updated project cost estimates.